

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 2004-248

April 29, 2004

MAINE PUBLIC UTILITIES COMMISSION
Inquiry into the Adequacy of the Electric Grid
in Maine

NOTICE OF INQUIRY

WELCH, Chairman; DIAMOND and REISHUS, Commissioners

I. SUMMARY

Through this Notice, the Commission initiates an inquiry for the purpose of conducting a study into the status of the reliability of the electric transmission and distribution (T&D) systems (the electric grid) in Maine.

II. DISCUSSION

On February 1, 2004, we submitted to the Legislature our Report on Utility Incentives Mechanisms for the Promotion of Energy Efficiency and System Reliability in response to a resolution passed by the Legislature during its 2003 session.¹ See P.L. 2003, ch. 219, § 2. Following the presentation of the Commission's Report to the Legislature's Joint Standing Committee on Utilities and Energy (U&E Committee), the U&E Committee requested that the Commission conduct a follow-up study of transmission and distribution utility grid security and reliability issues.² Specifically, the U&E Committee requested the Commission to:

1. Quantify the safety margin of the grid system, including through such indicators as maintenance activity, and to analyze how the margin may have changed over time, particularly as the result of alternative rate plans and restructuring;
2. Assess the adequacy of grid security in light of the events of 9/11 and the blackout of 2003;

¹ A copy of the report may be found on the Commission's web page at www.state.me.us/mpuc/2004legislation/2004legislation.htm

² A copy of the committee letter requesting the Commission to perform this study is attached as APPENDIX A to this Notice.

3. Examine issues of grid adequacy in remote areas, e.g., Washington County, including looping issues; and
4. Review relevant information including information from transmission and distribution utilities and reports on the blackout of 2003.

The Commission initiates this inquiry as a means of collecting the necessary data and information from the State's T&D utilities, as well as getting input from interested stakeholders on the above issues in order to prepare the report requested by the Legislature.

III. PARTICIPATION IN THIS INQUIRY

The Commission anticipates that it will need to request information from the State's three investor-owned utilities, Central Maine Power Company (CMP), Bangor Hydro-Electric Company (BHE), and Maine Public Service Company (MPS), as well as Eastern Maine Electric Cooperative (EMEC)³ as part of the study process. Therefore, these four utilities will be considered participants to this investigation from the outset. Other interested persons wishing to participate in this matter may do so by filing a letter with the Commission by **May 6, 2004**. As part of the study process, the Commission anticipates that it will be seeking input and information from ISO-NE, and we invite ISO-NE to participate in this inquiry.

IV. INITIAL CASE CONFERENCE

An initial case conference to discuss how the Commission's study can best be conducted in order to fulfill the Legislature's objectives will be held on **May 7, 2004 at 1:30 p.m** in the Commission's Hearing Room. It is anticipated that the topics of discussion at the case conference will include:

1. The extent to which studies have been conducted or reports prepared by other entities which address any of the topics of this study;
2. How we can best collect the information required from the utilities;
3. What types of information are likely to require protective status; and,

³ We have included EMEC and not any other consumer-owned utility (COU) as a participant since EMEC owns and operates transmission and since the U&E Committee specifically requests us to look at the adequacy of service in remote areas of the state such as Washington County, where EMEC and BHE both provide service.

4. Developing a schedule for the case.

Dated at Augusta, Maine, this 29th day of April, 2004.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR: Welch
 Diamond
 Reishus

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within **21 days** of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Appellate Procedure.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.